

CONFIDENTIAL

25 October 1946

EXECUTIVE TO THE DIRECTOR

DEPUTY EXECUTIVE FOR PERSONNEL AND ADMINISTRATION

Projects Report for Personnel and Administration

I. SERVICES DIVISION

1. Memorandum Covering Supplies and Equipment for CIG From War Department - The final memorandum has been issued covering this subject, the last objection being that the War Department did not want the Army in China to be considered as the primary source of supply in view of the arrangements with the Seventh Fleet, and they requested that a provision be made in the memorandum in order that the Army may be considered as a secondary source of supply. This was done and the memorandum was cleared for issue.

2. Negotiating Authority - The draft of the Executive Order extending negotiating authority to the Director of Central Intelligence has been forwarded by the Bureau of the Budget to the Justice Department for review prior to its issuance by the President.

II. PERSONNEL DIVISION

1. Personnel Consultant - At the suggestion of [] the question regarding the Personnel Consultant was taken up with the Executive to the Director, who indicated that [] could act in that capacity. The purpose of the Consultant is to attempt to establish industrial sources of personnel which would not normally be available to the Personnel Division. A procedure for this is to be established.

III. FINANCE DIVISION

1. Establishment of Civilian Personnel Ceilings - Arrangements have been made to establish civilian personnel ceilings for CIG in the Office of the Secretary of War which are to be in effect until May, 1947. At that time other arrangements must be made, as the War Department will be limited by law as to the number of personnel they may employ, and the CIG personnel at that time would cause the War Department to exceed its ceiling. It is expected at that time that arrangements will have to be made with Congress for an exemption from the publishing of CIG ceilings, and if such exemption cannot be made, there does not seem to be any other solution to avoid publishing this information.

IV. SECURITY DIVISION

1. Table of Organization - A new Table of Organization is in the process of preparation covering the Security Division.

There are no unusual reports regarding the activities of the Communications, Legislative Liaison, and Projects Support Divisions.

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GENERAL - Transfer of F.B.I.S. to CIG

On Friday, 18 October 1946 a meeting was held with [redacted] of F.B.I.S., and representatives of each of the administrative divisions, P & A, as well as the General Counsel, for the purpose of making administrative preparation for supporting F.B.I.S. activities within the Continental U.S. and overseas. Numerous problems were discussed at that time, and the principal ones are outlined below, together with solutions which were agreed upon:

Security - It was agreed that a general waiver would have to be obtained from the Director of Central Intelligence for the transfer of F.B.I.S. as of 3 November. This has since been obtained. Other security questions discussed at that time related to the identification of F.B.I.S. overseas activities as CIG, as they have been authorized to appear as CIG in the open and to use CIG letterhead. If it has been agreed that CIG is purely a coordinating activity, then perhaps the

Personnel - It was agreed that the transfer could be made using the job descriptions as they exist for this activity because a complete survey of the jobs and their duties must be made and new jobs established with the Civil Service Commission on the basis of existing functions. It was agreed, also, that the appointment of personnel would be made subject to (a) final security clearance, and (b) review of positions occupied by the incumbents with the possibility of reclassification.

Services - [redacted] was requested to obtain a complete inventory of each overseas installation and the equipment on hand in each installation in the Continental U.S. and in Washington as of 3 November. This will be required for the purpose of giving the War Department a receipt for the inventory which exists as of that date. [redacted] was requested to obtain and submit copies of all existing contracts or leases in existence for the benefit of F.B.I.S. in order that payment can be made by CIG. He was also requested to advise all Continental U.S. and overseas installations to forward their requests for major items of equipment or supplies to Washington. He stated that generally speaking an authority to procure supplies up to approximately \$25.00 had in the past been adequate. It was agreed that this could be granted. [redacted] was requested to obtain a complete description of all F.B.I.S. installations, particularly those which are under the jurisdiction of the War Department, which include construction done by the War Department for that agency. This will be necessary in order that questions which arise regarding the transfer of accountability can be settled.


Finances - It was agreed that F.B.I.S. should operate exclusively on vouchered funds, both in the U.S. and overseas, and that arrangements would be made with either the War Department or the State Department on a reimbursable basis to provide for general financing of F.B.I.S. overseas activities. It was

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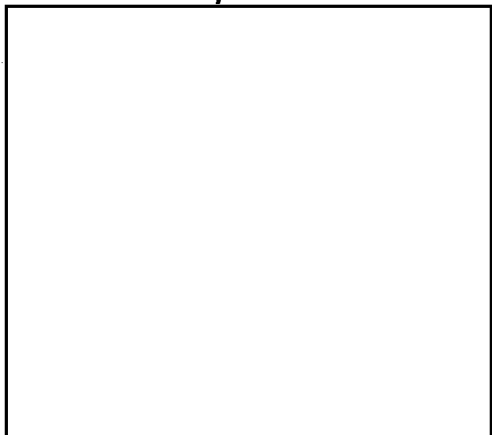


also agreed that separate allotment accounts on vouchered funds would be established for each F.B.I.S. installation and the Washington Office in order that, for budgetary and control purposes, the actual cost of operation could be considered.


Deputy Executive for Personnel
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